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ABSTRACT

Five areas essential to developing partnerships between the education systems and economies of the countries of Central and Eastern Europe were analyzed: (1) state and social partner roles in supporting links between education/training and the economy; (2) contribution of the world of work to education and training; (3) education/training to underpin economic growth processes; (4) supporting people at the interface between education/training and work; and (5) role of teacher training in linking education/training and the economy. Selected conclusions of the analysis were as follows: (1) correlation of human resource development strategies and employment strategies is essential to enlargement of the European Union; (2) the state should provide the policy and legislative framework to support links between education and the economy; (3) the economy should increasingly contribute to training so that training can become more responsive to labor market needs; (4) promotion of entrepreneurial skills, qualification of the work force by targeting continuing training, and promotion of regional development by tertiary educational institutions are important in promoting growth through education and training; (5) support of the transition from education/training to work must be improved; and (6) teachers' and trainers' capabilities to make learning relevant to labor market needs should be strengthened. (MN)

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"The European House of Education: Education and Economy - A new Partnership"

Background Paper

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European Training Foundation, Turin

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INTRODUCTION

This background paper is intended to provide an insight into the situation in the countries of Central and Eastern Europe in terms of "Education and the economy".

The paper examines five key areas which are essential in terms of the partnership between education and the economy:

1. The role of the state and the social partners in supporting the links between education and training and the economy.
2. The contribution of the world of work to education and training.
3. Education and training to underpin economic growth processes.
4. Supporting people at the interface between education/training and work.
5. The role of teacher training in linking education and training and the economy.

Within each area, key trends within the countries of Central and Eastern Europe are identified and major problems are highlighted. Where possible, interesting initiatives and practices are briefly mentioned.

General context and trends

Education and the world of teaching and learning, and the economy and the world of business and work, are not necessarily natural partners as they traditionally fulfil different roles in society and have different goals. At times, distinct dividing lines were drawn between them, although in practice there has always been a considerable overlap of interests. Economic restructuring on a global scale, rapid technological change in the production sphere, the spread of new information and communication technologies which have paved the way for a knowledge based economy and society, and the ensuing dramatic shifts in labour market structures are forceful new challenges to education. These have created new priorities in educational policy.

As a response to the imperatives of change, new worldwide trends in education (actively supported by the European Union and international agencies like UNESCO, OECD or the World Bank) can be observed, including:

- the demand for new higher level and core qualifications;
- the quest for effectiveness and quality of education provision;
- new approaches to the governance and financing of education;
- diversification of education provision and its tailoring to individual needs;
- enhanced responsibility of institutions and individuals for the outcomes of the education process; and
- a reappraisal of the interaction between education and economic change and development.

The recognition of the vital role of human resource development in enhancing employability and economic growth and international competitiveness has become a strong argument in favour of more extensive investment in education by governments and the business sector alike. Acknowledging the importance of education and training for the vitality of the European economy and the development of employment, policy initiatives within the European Union have been aimed at bringing education and the world of work closer together.

Within the European framework, countries deal with these trends in their own, specific ways, according to their experiences and the 'logic' of their educational systems. This is also true of Central and Eastern European countries which have embarked on the route to a market economy and a democratic, pluralistic society. For them, however, pressures for change of a more global nature overlap with the specific implications of the social and economic transition process making the context for education reforms and the development of reform strategies even more complex.

Educational reforms: significance and challenges of the transition process

The current reforms in the sphere of education and training in Central and Eastern Europe have two aspects, distinguishing them from educational reform processes elsewhere.

Firstly, the breadth, range and depth of education and training reforms is extraordinarily large. They concern all levels and sectors of education provision: legislation, management and administration, the financing of the system, the institutional structures, programmes and personnel. They include both the creation of new institutions and the design of completely new curricula which no longer correspond to past traditions.

Secondly, the speed of the reform process is exceptional. Education reforms normally take a relatively long time. In Central and Eastern Europe they have been designed, agreed and launched often in a matter of months rather than years.

In addition, this process is, of course, a constituent part of the overall transition process in Central and Eastern Europe. The global nature and speed of education reforms have their roots in the general climate of rapid and radical change which the societies are undergoing and which aims at building modern, competitive economies and democratic political structures.

Education has a number of crucial roles to play in the transition process which are inter-linked and indicate its significance:

- to underpin and motivate economic and social transformation and to enable people to get actively involved;
- to cope with labour market uncertainty and constant technological changes;

- to prevent and combat the social exclusion of people disadvantaged in the labour market; and
- to maximise the potential of individuals to seize the opportunities presented.

The past nine years have shown that the process of modernisation can be started quickly. However, deeper, systemic reforms will take time and will take a whole generation rather than a couple of years. Nevertheless, due to specific circumstances and different points of departure, the reforms are likely to follow their individual timeframes which vary from country to country.

The challenges for the countries of Central and Eastern Europe, in summary, remain:

- a re-orientation of the focus of education and training to meet market needs;
- the creation of necessary conditions for the productive co-existence of state and private education provision;
- a diversification of the education and training structures to increase opportunities for access to education, to raise attainment levels and to enhance the horizontal and vertical mobility of students;
- the development of an integrated initial and continuing education and training system, making maximum use of resources, offering chances for lifelong learning processes and enhancing the individual's flexibility on the labour market;
- the readjustment of the relation between general and vocational aspects of education, the broadening of existing qualification profiles and the development of new ones taking into account the demands of technological and informational change and emphasising the acquisition of transferable core skills;
- the establishment of new principles of decentralised management, including tripartite decision-making processes and the involvement of social partners in both the development and delivery of training provision and the assessment of skills acquired;
- the introduction of flexible funding mechanisms to give freedom for decision making and room for innovation and to guarantee stable development.

The individual countries respond to these challenges with different approaches and reform strategies which, in spite of considerable areas of convergence, reflect each country's specific transformation path geared to its own situation and needs. Even within countries reform is not necessarily a monolinear process, since its conception and objectives may be modified in line with changing government priorities. This diversity characterising the reality of education systems and education reforms in the countries of Central and Eastern Europe should be kept in mind when general trends and main issues in education itself and the interaction of education and the economy are examined.

1. THE ROLE OF THE STATE AND THE SOCIAL PARTNERS IN SUPPORTING THE LINKS BETWEEN EDUCATION AND TRAINING AND THE ECONOMY

Policy and legislation

The area of policy and legislative frameworks for education has undergone considerable change in the last decade in the countries of Central and Eastern Europe. In order to sustain the democratisation process after the demise of the old regime new regulative mechanisms were needed which were firmly rooted in the principle of the rule of law and which reflected the changing role of the state. This gave a high priority to legislative reforms in education as a basis for implementing reform policies and effecting a smooth transformation. In fact two distinct phases of legislative reform can be distinguished:

During the early 1990s, most countries enacted, in a very short period of time, new overall legislation for education. The new laws concentrated above all on the administrative framework underpinning the education reform processes, on removing any ideological bias in education and on making the reforms irreversible. However, approaches to legislative reform differed widely between the countries concerned. In many cases, the new legal provisions were adopted rather haphazardly in the absence of an overall reform policy and strategic planning for the development of education and training. The result was sometimes a fragmented legal framework which soon needed amending.

The second phase, beginning in the second half of the 1990s, has tended to address the need for a more consistent legal basis for the development and efficient functioning of the education system and its various levels and sectors, reflecting the emergence of more comprehensive policy conceptions. Efforts were made to fill the gaps in legal provision, weed out contradictory regulations and fine-tune legislation to the ongoing reform processes. A few countries, e.g. Estonia or Slovenia, pressed on in pursuing the aim of an extensive legal coverage of their education systems and policies while others remained more hesitant and made do with a more gradual and therefore patchy approach.

Looking back at recent reforms, some further policy issues should be noted which play an important contextual role for developing the linkage of education and the economy:

The revision and diversification of structures. Due to strong social demand in some countries the main thrust of structural diversification of the unified general school system was aimed at re-establishing the traditional *gymnasium* as a distinct type of academic school. On the other hand structural changes at the post-secondary and tertiary levels reflected a pronounced vocational bias. As a response to the new labour market, the post-secondary sector expanded and vocational and technical schools were upgraded enabling them to provide higher education qualifications. The emergence of new types of non-university higher education in a number of countries, sometimes with the endorsement and active support of employers (e.g. Hungary) and sometimes

sanctioned by a special law (e.g. Poland) resulted in the institutionalisation of 'binary systems' of higher education which are expected to react flexibly and promptly to the ever changing signals of the labour market.

Private education provision. The rapid emergence of a private education sector conspicuously embodied the policies of transition from a state monopoly in education provision to a pluralistic education system. Responding to a great variety of social needs and economic interests, private education has particularly thrived as an investment into the acquisition of a high quality, elitist education and marketable skills which are in special demand by enterprises. Although the social selectivity and elitist character of the private sector remain controversial issues, it has widely come to be regarded as a normal component of the education system.

However, conditions for growth of the private sector varied between countries and levels of the education system. While its quantitative share remained, on the whole, modest in general and vocational education, private institutions tended to mushroom in higher education. As a reaction to actual demand the courses they offer are focused on the areas of business studies, marketing, law, computer science, but also foreign languages and cultural studies. In spite of the development of accreditation procedures, the quality of its output continues to be one of the major problems of the private education sector.

New funding mechanisms. Under the old regime, education was almost entirely state-funded, either directly from the state budget or - to a lesser degree - in indirect ways through financial contributions or material support from state-owned enterprises. When the economic crisis, which accompanied the transition process, caused a massive slump in state revenues, education faced an alarming decline in the volume of financing from public sources, and support from enterprises faded away altogether.

New strategies for the financing of education were aimed at diversifying the sources of funding. This included some devolution of financial responsibilities for general and vocational schools from the central to the regional and local levels, but it was mainly intended to create a mix of public and private funding.

Education institutions were legally allowed and encouraged to tap sources of additional income such as leasing their premises to private businesses, selling products made in their workshops during practical vocational training, charging fees (especially in the case of higher education) from certain categories of students or attracting funds from enterprises. The introduction of financing from multiple sources also meant that education institutions were granted greater autonomy and discretion in the use of the accumulated funds and were encouraged to take on entrepreneurial functions.

One other important feature to note is that the process of drawing up education and training policies, and legislation has become more open to public participation. In a number of cases, participatory principles have been incorporated into education legislation with a view to enabling education to contribute to and profit from the emerging civil society. All the countries of Central and Eastern Europe have recognised the added value of involving a range of key stakeholders in the elaboration and implementation of policies, thus reaching a wider consensus from the outset of the process.

The role of the social partners

Involving social partners in policy and decision-making processes in education and training at national, regional, sectoral, local and institutional levels is firmly established as a means of linking education and the economy in the European Union and is becoming more widespread in the partner countries too. However, the departure point of social partnership in Central and Eastern European countries is radically different from that within the EU, for the concept of social partnership was completely unknown before the present reforms began.

Employer organisations did not exist under the old regime and therefore had to be developed from scratch. The previously existing trade unions had a completely different role in the past and have therefore suffered from a loss of legitimacy and a drastic decrease in membership which has forced them to radically re-orient themselves. In most countries, new independent trade unions have emerged but are often in competition with the traditional ones.

Moreover, the development of a system of social dialogue has been defined as a major policy goal in most countries aspiring to join the European Union. As a rule,

- freedom of association and a pluralistic and independent representation of interests is guaranteed by law;
- collective bargaining frameworks have been developed; and
- tripartite bodies representing the interests of governments and of the social partners have been established to deal specifically with issues of education and training.

Indeed there are no clear-cut models of the range of responsibilities and the composition of tripartite bodies. Other actors, such as various state agencies or professional associations are sometimes included for the sake of broadening the basis of the social dialogue. In some Central and Eastern European countries elaborate structures for involving the social partners in educational policy-making have been developed at all levels, while in others an organisational framework is still being set up.

The need to create tripartite bodies was most urgently felt in the sphere of vocational education and training. In a few countries (e.g. Lithuania or Slovenia) tripartite vocational training councils at national level were established by law while, as a rule, such bodies are based on agreements between the governments and the social partners.

Although active participation in social dialogue could be expected to enable the social partners to bring to bear their interests and expertise on policy issues such as system development, funding strategies or elaboration of training and qualification standards, there is evidence from most countries that actual involvement continues to be unsatisfactory. On the one hand this may be explained by the preoccupation of the social partners with more pressing economic and social needs, and by the almost exclusively consultative functions of tripartite bodies which limit their influence vis-à-vis the predominance of state control.

On the other hand, alongside the absence of participation traditions, the underdevelopment of the necessary organisational infrastructure and lack of experience on the side of social partners in dealing with education and training cause difficulties. Providing special training for those working on establishing stable links between the education and employment spheres would therefore seem to be an appropriate means for supporting a new culture of social dialogue.

For social partnership structures to become effective in practice, challenges such as the following should be addressed:

- the representative and autonomous status of social partners needs to be reinforced;
- the issue of training should be a higher priority for social partners than it is at present; and
- the skills and expertise of both social partner organisations and public administrations in developing and sustaining the social dialogue in the sphere of education, training and labour market policies have to be further developed.

2. CONTRIBUTION OF THE WORLD OF WORK TO EDUCATION AND TRAINING

Even in those countries in Central and Eastern Europe where cooperation within the formal channels of social dialogue are less developed, numerous initiatives for setting up direct contacts between employers and education institutions at local or regional levels have started up over the last few years. There are numerous ways in which industry is increasingly contributing to education and training, including participation in labour market analyses and the definition of qualification needs and standards, linking with schools, training institutions and universities, providing training themselves, and making financial contributions to education and training.

Participation in the definition of qualification needs

Under the socialist system of economic planning in the countries of Central and Eastern Europe the forecasting of the manpower needs of branches or enterprises was part of the centralised mechanism of labour resource planning. The state issued detailed quantitative targets which mandatorily regulated the enrolment figures of schools and universities and the distribution of graduates. When state planning with its bureaucratic rigour disappeared, the emerging labour markets required new approaches for assessing skill requirements as well as a new quality of information in order to function successfully. Reform in this area has focused attention on gathering more qualitative data from employers and on analysing that information so that it might be used for decision-making in education and employment policy.

However, employers in Central and Eastern Europe face considerable difficulties in precisely assessing their future skill needs both because they were accustomed to a different system and because they lack the analytical tools for medium-term forecasting in view of unpredictable changes in market demand, production technology and work organisation. In those countries, however, which built up research based labour market information, e.g. in Hungary, employers reacted positively to the need to provide data and put forward their human resources requirements.

There is a growing awareness - which needs to be further reinforced - in most countries, that educational planning, including the structural adaptation of the education system, standard and curriculum development, teacher training, equipment upgrading and the vocational counselling and guidance of people needs to be based on sound labour market analyses which:

1. monitor current labour market developments and the extent to which the education and training system responds to them; and
2. identify present and forecast future skill and training requirements.

As it is in the interests of employers that new entrants to the labour force, having graduated from vocational schools or higher education institutions, are equipped with up-to-date skills matching the demands of the workplace. Thus the process of designing curricula and determining new transparent qualification standards must be based on analyses of concrete work processes and occupational requirements. In tune with the prevailing circumstances, the first phase of curriculum reforms was very much education-driven in most of the countries of Central and Eastern Europe. In many respects this approach still applies, as in the case of new qualifications in vocational or higher education which were introduced without prior consultations having taken place to secure their acceptance on the labour market. However, there is also a tendency to create more favourable conditions for the world of work to be reflected more directly in curriculum innovation processes and especially in adjusting new standards to specific regional or local conditions.

Links with education institutions

In the past, state-run enterprises had an important role in school-based vocational education and training by providing practical training for students. Training took place within a dual system where the vocational school was often part of a state-owned company. With the breakdown of the planned system, the former well established links between vocational schools and companies vanished almost completely. This was a serious problem as the practical part of vocational training had often been provided by companies, leaving schools to cater for academic subjects and the basic introduction to working life. The state often did not have the resources to compensate for this loss, thus the quality of the training process was hit hard by the deterioration of facilities and equipment. For graduates this often meant that the direct gateway into employment was blocked.

In the meantime, some developments have taken place, often at the initiative of individual employers and schools, to create or resume mutually beneficial links through a variety of means:

- practical placements and training periods in enterprises for students;
- partnerships involving the sharing of equipment and space;
- the provision of training for teachers and trainers in enterprises.

In a number of cases large companies have continued to provide practical training mainly to satisfy their own demands, but the involvement of employers seems to be most pronounced when they participate in running apprenticeship schemes. Close contacts with employers allow educational institutions to better respond to labour market needs, and this ultimately contributes to the increased employability of their graduates.

Financial contributions

Given the under-funding of education, expectations are increasingly directed towards the private sector and business as a whole contributing, in various forms, to initial and continuing vocational training. Schools as well as higher education institutions also look expectantly towards enterprises for sponsorship. However, models where employers are obliged to contribute to training costs, with a certain percentage of their wage bill, which is currently the case in some countries (e.g. the levy scheme administered by the National Vocational Training Fund in Hungary), or where tax incentives are granted to employers if they engage in training, are far from commonplace.

In a number of countries enterprises give financial backing on a more informal basis to initial and continuing vocational training schemes, thereby indirectly supporting providers of continuing education such as higher education institutions.

3. EDUCATION AND TRAINING TO UNDERPIN ECONOMIC GROWTH PROCESSES

Many studies have revealed the causal link between education and training and economic growth. There is sufficient evidence to support the assertion that 'knowledge creates growth'. An increased investment in human capital accounts, along with the investment in physical capital, for high levels of productivity. The new growth models embody the recognition that it is 'intangible investment' - in education, training and technological change - which is at the heart of the development process towards the 'knowledge society' of the 21st century. A high standard of general and higher education as well as initial and continuous vocational training and retraining is, hence, one of the basic sources of competitive strength and the success of firms in world markets. In addition, according to recent World Bank studies, the economic and social returns to investment in education and training are optimal in the context of a market economy and when access to education is open and based on the principle of equity.

Significant factors linking education and training to economic developments include:

- the promotion of a new entrepreneurial culture and support for people setting up and running their own businesses;
- the contribution of continuing training to adapting the work force to new challenges; and
- the way in which educational institutions, especially at the tertiary level, are promoters of development and innovation in a region.

A new entrepreneurial culture

Companies in Central and Eastern Europe are undergoing a drastic shift in management thinking and the development of related management skills to enable them to raise their competitiveness as they adapt to new economic conditions. The reorganisation of companies demands that managers and entrepreneurs operating in a context of continual change have the ability to creatively shape the future of their enterprises. This leads inevitably to the development of a new entrepreneurial and managerial culture. Although the scope of management training provision has increased throughout the region, there is a lack of integrated, hands-on training tailor-made for business managers, especially those from SMEs.

The preparation for entrepreneurship has also become increasingly important in the context of curriculum reform and career education in schools, vocational and higher education alike. This is not limited to imparting knowledge on economic affairs, but also entails the acquisition of core skills, practical abilities and attitudes enabling a person to set up and manage his or her own business.

Higher education as a promoter of development

If education is to respond successfully to the spiralling complexity of economic development and requirements in the workplace, higher education must inevitably take on an increasing share in producing the necessary skills. In the context of Central and Eastern Europe, the role higher education is able to play in economic development encompasses the provision of knowledge and competencies relevant not only to the changing employment sphere, but also to economic and social transformation in general. The research function of higher education is equally important for the creation of relevant knowledge. However, the effects on real development processes largely depend on the extent to which higher education actively gets involved in pursuing strategies to reshape and innovate the economic sphere.

Higher education responded to stimuli for innovation emanating from the economy and the labour market in a number of ways, such as quantitative expansion, structural changes (including institutional diversification), and curricular adjustments.

The processes of diversification of higher education pave the way for rearrangements in the regional distribution of higher education institutions. Whereas under the old regime, interests and internal considerations of the individual branches of the economy were of paramount influence in the setting-up and operating of higher education establishments resulting, in many cases, in severe geographical misallocation, it is now the regional factor, the orientation towards regional needs and a more even spread of facilities, that carries the decisive weight. The location of higher education institutions becomes an important factor for regional attractiveness and growth, not only by the way it produces interaction within the community in the cultural sphere but also in the way it provides the human resources and qualifications required by the regional economy and encourages the transfer of innovative know-how.

The specific function in which universities contribute to the production of vital resources for economic growth is scientific research. One of the basic problems here is maintaining research capacity, especially in the fields of the new technologies which play a decisive role for future economic development, given the massive constraints in government funding and the collapse of the former channels which used to provide industrial support for research. The situation is further complicated by the previous separation of teaching and research and the functional division between higher education institutions and research establishments within the Academies of Sciences and the industrial branches. Losses in research capacity have also been caused by the so-called brain drain.

In most Central and Eastern European countries universities are in a process of regaining or strengthening their position as the main focus of both fundamental and applied research, having demonstrated their ability to compete successfully with the other research sectors for limited funding. Furthermore, many have managed to become engaged in international research cooperation. At regional level universities increasingly attempt to establish close links with enterprises. The creation of techno-parks or similar organisational patterns at the interface of research and industry is an

example of their involvement in the new market-driven economic environment, which should prove mutually profitable for both the higher education institutions with their dependence on multi-channel financing and enterprises.

The fundamental importance of continuing training

In the EU Member States the importance of continuing training has dramatically increased over the last ten years. It has become the main instrument to cope with rapid technological changes and growing labour market uncertainty. In the countries of Central and Eastern Europe, continuing training has also to take a fundamental role in under-pinning and stimulating the transformation process. It is the instrument to adapt the qualifications of the work force to the new challenges of the market-oriented economy. For companies, and for whole countries, continuing training is therefore a pre-condition for economic competitiveness. This is particularly important in the perspective of the accession process.

The economic objectives of continuing training in the transition context concern:

- increasing efficiency and growth;
- avoiding skill shortages that hamper growth;
- improving productivity and competitiveness;
- preventing unemployment; and
- attracting external investment.

In the context of major structural adjustments, continuing training in Central and Eastern Europe has to provide a link between past and future economic activity, ensuring that knowledge and skills of the labour force are adapted to the changes that have already occurred or are likely to occur in the labour market.

Far more continuing training provision is needed than is currently available in all the countries of Central and Eastern Europe. Continuing training cannot be left only to short-term interventions from the side of the national employment services nor to market forces. The State and the social partners should work out a joint strategy that includes an agreement about their respective roles and contributions. Under the present conditions the State should take the initiative to launch the debate on such a strategy.

4. SUPPORTING PEOPLE AT THE INTERFACE BETWEEN EDUCATION/TRAINING AND WORK

It has become a high priority in Central and Eastern Europe to provide individuals with the knowledge, skills and attitudes relevant to the dynamics of transition to a market economy. At a more specific level, graduates from schools and universities are faced with fundamental changes in the process of entry to the world of work as the emerging labour market has both widened the scope and enhanced responsibility for making one's own choice of career. The vagaries and uncertainties of labour market development mean that, in order to reduce the risks involved in this choice young people have to be made familiar with the demands of the world of work and need to be prepared to cope with them.

Changing the curriculum

The requirements for adapting education provision to economic change and the conditions for entry into the labour market are reflected in curriculum reforms. Among the major trends characterising curriculum reforms initiated in the early 1990s were changes in the balance between general and vocational education. Secondary general schools tended to draw new dividing lines between themselves and the vocational sector by squeezing out the work related components of their curricula, which under the general notion of 'polytechnical education' had been one of the fundamental features of socialist educational doctrine. This trend towards segregation applied in particular to the traditional *gymnasium* types of school whose curricula once more received a purely academic bias oriented toward higher education.

At the same time, there has been a swing in vocational education from highly specialised and narrowly job-related courses towards more broadly defined occupational fields with an enhanced share of general subjects. However, in various countries there is an ongoing debate on various aspects of the future role and the appropriate proportions of general and vocational components in the preparation of young people for working life. On the one hand, it is concerned with necessary shifts in the distribution of enrolments between academic and vocational courses. On the other, the traditional model of technical/vocational education combining academic instruction and specialised vocational training is being confronted with an alternative model favouring extended general education to be followed, at the post-secondary level, by vocational specialisation which can be provided in a school or on-the-job within an enterprise.

A third approach seems to be taking shape in a new, as yet experimental, attempt to integrate major elements of academic and technological instruction with a broadly defined occupational orientation at the upper secondary level. One example of this is the Technical *Lyceum* in Poland where the curriculum places special emphasis on modern key technologies, computer science and the development of core skills, and a similar approach is to be found in the Czech Republic.

A vital dimension for curriculum reform which is relevant to all types of course which prepare people for entry (or re-entry) into the world of work is related to 'core skills'. Since the 1970s, there has been an increased emphasis on active learning methods and the concept of applied knowledge in the OECD and EU countries. Later, in the 1980s, the concept of 'core skills', including the ability to communicate, to work in teams, to plan, carry out and evaluate work independently and to learn continuously, was promoted. This shift in curriculum philosophy became one of the main objectives of the curricular reforms in the countries of Central and Eastern Europe.

Although major efforts have been made to design new curricula that focus on the development of core skills, practical application on a wider scale is often hampered by the insufficiently developed links between school and companies, the moderate level of teachers' and trainers' skills and the poor equipment available in schools. Moreover, due to the slow pace of changes in work organisation, enterprises are often content with more traditional skills of the new entrants to their work force.

Specific support for disadvantaged target groups

These reforms have largely focused on mainstream developments and students, with little emphasis on those with special needs and in danger of social exclusion. However, given the projected high levels of unemployment in Central and Eastern Europe, attention is turning to helping potentially marginalised groups gain access to the labour market and find their place in society. Awareness needs to be raised in particular for the issue of drop-outs from school and vocational education. Preventing early leaving and catering for drop-outs requires the development of action programmes based on a comprehensive analysis of the situation in each country.

The measures aimed at disadvantaged groups need to be tailored to meet individual circumstances and allow each person to follow a planned set of training modules, education, temporary work and work experience. Labour market measures need to be linked to local community development and the provision of social, health and welfare services. The individual may participate in a number of activities, including counselling, vocational education and training and work experience facilitated by different providers, but planned in an integrated and co-ordinated way.

Careers guidance and counselling

In order to provide the guidance and counselling services needed for people to successfully cross the threshold of the labour market, the Central and Eastern European countries have, as a rule, opted to build a network of specialised agencies connected to the administration of labour resources. These efforts are, however, complemented by education institutions which continue to offer specific courses and activities aimed at preparing students for the transition to the world of work.

To be sure, former courses at schools which implemented some variation of polytechnical or labour instruction, have become obsolete insofar as they were oriented towards mass industrial production in a planned economy. In some cases they simply disappeared from the curriculum, in others they were replaced by new courses offering computer instruction or economic and management studies or other areas of knowledge relevant to a market economy. In some countries, courses providing vocational orientation and preparing individuals for choosing a career (or some form of further education) have been retained or reintroduced at both the lower and upper secondary level, often on an optional basis. These courses provide an opportunity for students to gain an insight into modern production and service systems and to present information on occupations and their demands. There is also a growing emphasis on preparing students for entrepreneurship.

Providing careers counselling and guidance of a more systematic kind is the function of the centres mentioned above. In some countries these centres have been steadily established over the last years while in others their capacity is still underdeveloped. They cater for different groups of clients - from school students to graduates from vocational and higher education and people requiring retraining and continuing education courses - and function as a link between their clients and the world of work. However, even where organisational arrangements are improving, careers guidance centres face a number of problems such as acceptance by prospective clients and employers, competence of staff and limited resources for carrying out their tasks.

5. ROLE OF TEACHERS AND TRAINERS IN LINKING EDUCATION AND TRAINING AND THE ECONOMY

Clearly the role of teachers and trainers cannot be overemphasised. Their active input is crucial in forging the link between education and training and the world of work. In examining the developments in this field in the countries of Central and Eastern Europe, it is important to be aware of the past differentiation between the various types of teachers and their training and background. In the past, there were three different types of teachers in schools and the differences were significant:

The teachers of general education subjects were either trained at higher education institutions or, in the case of primary and lower secondary school teachers, at a sub-university level. In parallel to their subject(s), their courses of study included educational disciplines (pedagogy, psychology). In vocational education this group of teachers contributes to the 'academisation' of this sphere which occurred in the 1990s.

Vocational subject theory teachers comprised a middle group: they received a technical education (e.g. engineering) but only some of them had received in-service training courses in pedagogy.

A large group of 'masters', i.e. supervisors of practical training in workshops or companies, had skilled worker qualifications but no pedagogical education at all.

The differences and differentiation between these groups of teachers and trainers/masters represented a significant barrier to the reorientation of the teaching process and methodological innovation. Teachers and trainers were experienced in relatively directive teaching methods which were teacher focused and geared to rote learning, encouraging only the passive involvement of students. In addition, teachers were not involved in school management processes or in making outside contacts, skills that urgently need to be developed.

Both the social status of the teaching profession and its pay and other forms of remuneration have remained low despite the fact that teachers and trainers need to be the key change agents within the education system.

Although comprehensive training programmes have been carried out for pilot school teachers who introduce new curricula and often develop them on their own ('authors' programmes'), there is still an urgent need for reform of both pre-service and in-service training for vocational school teachers and trainers. Teachers require not only academic knowledge and work experience. They also need to be familiar with the world of work and to know how work is organised in enterprises and which skills are required. In addition, newly trained teachers would benefit from 'coaching' by experienced teachers.

A special case is the training of trainers for the practice-oriented dimensions of vocational education. This regards the content of training as well the teaching competence of the trainers and requires a profound reassessment of courses offered by the teacher training institutes. Training courses should be better tailored to the vocational reality and in-service training should be based on training needs analyses.

From an organisational point of view, there is a well-developed infrastructure for in-service training of teachers in Central and Eastern Europe, which comprises courses at special institutions and in higher education. However, there is a lack of integrated, up-to-date approaches supporting educational reform processes by bringing teachers' competencies into line with changes in their work environment. More systematic in-service training would also help to get the teaching profession more actively involved in curriculum innovation and school development. Likewise, the dissemination of new curriculum concepts, such as the development of core skills, needs to be supported by in-service training. So far little attention has been paid to raising teachers' awareness of the changing demands of the world of work. This applies in particular to those teachers whose initial training was limited to a narrow qualification profile, but new approaches that have been designed to improve the situation of in-service training often cannot be implemented due to the lack of funds. Providing teachers with practical skills in handling modern computing and information technologies is yet another task for in-service training with direct relevance to linking education and the world of work.

SUMMARY

1. **The degree to which education is able to meet the requirements of the economy has important implications for the level of both the employability of the individual and, consequently, a socially balanced society, as well as the competitiveness of the economy.** Therefore human resource development strategies in correlation to employment strategies are of key importance e.g. for the enlargement of the European Union.

2. **The state should provide the policy and legislative framework to support the links between education and the economy, for instance, by:**

   - laying the foundations and providing the platform for an effective social dialogue and the involvement of social partners in various issues at national, regional and local levels; and,
   - granting incentives to both institutions and enterprises to engage in practice-oriented training.

3. **The economy should increasingly contribute to training so as to allow the latter to better respond to labour market needs, in particular through:**

   - the participation of social partners in the analysis of skill needs and the definition of standards;
   - a (re-)establishment of partnerships of enterprises with educational institutions;
   - the provision of practical training places in enterprises, as well as
   - financial contributions to education and training provision.

4. **Significant factors for promoting growth through education and training are:**

   - the promotion of entrepreneurial skills;
   - the (re-) qualification of the work force by targeting continuing training;
   - education institutions, especially at the tertiary level, as promoters of the development in a region.

5. **The transition from education and training to work should be supported by:**

   - ensuring a closer link between academic and practical learning taking place at different learning sites, with the aim to acquire, amongst others, core skills;
   - specific education and training measures for disadvantaged young people to prevent early school leaving and/or help them complete education and training programmes, acquire labour market qualifications and find a job as a means to fight youth unemployment and by
   - stepping up efforts in vocational counselling and guidance.

6. **Teachers and trainers' capabilities to make learning relevant to labour market needs should be strengthened.** Their pre and in-service training needs to be improved in order to:

- ç help them better understand, through the training of teachers in enterprises, the skill requirements of the world of work with respect to both technical, technological and behavioural skills required of today's labour force;
- ç better qualify them to apply active learning methodologies aiming at the acquisition of core skills; and,
- ç better prepare them for the challenges arising from the information society.